

PORTSMOUTH TOWN COUNCIL MEETING
January 21, 2009

7:00 p.m. – Town Council Chambers, Town Hall, 2200 East Main Road

MEMBERS PRESENT: Peter J. McIntyre, Hubert E. Little, Dennis M. Canario,
Jeffrey C. Plumb and James A. Seveney

MEMBERS ABSENT: Karen Gleason and Keith E. Hamilton

Also Present: School Committee Members: Chairman E. Richard Carpender, Sylvia J. Wedge,
Jamie R.B. Heaney, Marilyn King, Angela Volpicelli,
Susan F. Lusi, Ph.D. and Christine Tague

PLEDGE OF ALLEGIANCE

A moment of silence for our men and women around the world in harm's way.

TOWN COUNCIL

1. Meeting with School Department regarding FY 09 & 10 Budgets – status, priorities and issues

A. Potential Gap Analysis School Department FY 08-09

Ms. Tague, School Department Finance Director, said that the State has cut a total of \$180,000.00 in the School Department's operating budget. The State is also looking at COLA eliminations, a 2% increase in teachers' contribution levels and the teacher's retirement age going to 59.

B. Preliminary Gap Analysis for FY 09-10; Review only

Mr. Driscoll said that the Governor's proposed budget has cut 100% of the Town's total revenue share which was budgeted at \$504,000.00.

Ms. Tague said that going to full tax cap, without the Teacher's contract factored in, and assuming level aid, the School side is already at a negative \$41,341.00.

C. School Progress Update

Dr. Lusi updated the Council on the progress in completing the Berkshire Performance Report recommendations. Of the 42 recommendations, 12 are completed and 10 are in progress.

President McIntyre asked if Portsmouth could get an exception from the State Fire Marshall's Office on sprinkling the schools as the City of Newport had.

Mr. Driscoll said he expects to meet on this very soon with Dr. Lusi and the Fire Chief.

When asked about the possibility of closing Elmhurst School, Mr. Carpender said that the School Committee is leaving all options on the table until they know what the budget is going to dictate.

Dr. Lusi stated for the record and for the community, "We already went below the level of inflation last year. So this is not a new conversation. What is a real conversation of the community is what do people want and expect from their schools vs. what can we afford. And that's something we will need to full community engagement on."

D. Request to Approve Wind Turbine Enterprise Fund: Guidelines for Revenues and Expenditures

A motion by Mr. Canario, seconded by Mr. Plumb, to approve this with the initial figures, for this year, as a budgetary target so people can make their planning. All voted in favor of the motion.

Wind Turbine Generator Enterprise Fund: Guidelines for Revenues and Expenditures

1. The Enterprise Fund shall consist of expenditures at least equal to the amount of annual debt service, insurance and annual operating and maintenance costs, plus two reserves. A "contingency reserve" amounting to 10% of the annual net operating profits will be set aside and may be utilized to promote other energy saving projects in the Town or Schools. In addition, 5% of the WTG Enterprise Fund's annual net operating profits will be set aside as a repair reserve to provide for additional operating expenses and equipment replacement which is not covered under the annual maintenance contract.
2. Revenue from the sale of Renewable Energy Credits shall be credited to the Enterprise Fund.
3. Reductions in energy costs (invoice credit amounts or actual cash refunds) realized by the Town and Schools shall be transferred to the Enterprise Fund on a periodic basis.
4. Sales of electricity to the grid, if any, shall be credited to the Enterprise Fund.
5. An annual net operating surplus in the Enterprise Fund shall be liquidated by a distribution from the Enterprise Fund proportionately between Town and Schools, based upon electricity consumed in the prior fiscal year. An annual net operating deficit in the Enterprise Fund shall be liquidated by a proportionate transfer from the Town and Schools based upon electricity consumed in the prior fiscal year.

A motion by Mr. Little, seconded by Mr. Plumb, to adjourn. All voted in favor of the motion.

ADJOURN

TIME: 7:53 p.m.

Joanne M. Mower
Deputy Town Clerk